

Meeting Minutes

September 15, 2022 CHEAPR Board Meeting via ZOOM | View Recording

Present: See <u>Attachment A</u>

Next meeting: December 15, 2022

Prepared by: Katie Katrichis, DEEP

I. Call to Order and Announcements

Meeting started at 3:03 pm.

In the absence of CHEAPR Board Chair and DEEP Commissioner Katie Dykes, DEEP Air Bureau Chief Tracy Babbidge called the meeting to order and provided opening remarks.

Call of attendance for Board Members. There is a quorum.

Approval of 6/16/22 meeting minutes.

II. Committee Reports

- 1. Budget Update: There have been 2,485 rebates paid out this year to date
 - Most popular vehicles this year continue to be the Toyota Rav4 Prime, Prius Prime, and Nissan Leaf
 - Increased funding Greenhouse Gas (GHG) reduction fee: dedicated CHEAPR account receives deposits from DMV (GHG fund averages \$8.6 mil/year)
- 2. Public Act 22-25: Implementation Update
 - CHEAPR is being extended to fleets (businesses, municipalities, nonprofits, tribes)
 - E-bike voucher program: requires means testing
 - Outreach and marketing to be emphasized in future efforts
 - Expanded vehicle eligibility to \$50k MSRP cap, effective July 1
 - Non-individual rebates will be post-purchase; will work on platform development with new Scope of Work (SOW)

3. DEEP's Work Plan to Implement Public Act 22-25

	Short term, including current scope of work	Mid-term	Long term
CHEAPR	Increase current MSRP cap Changes to the Board New funding	Adjusting LMI eligibility Eligibility expansion	Marketing outreach Add LMI voucher program
E-bikes	Research on existing programs Stakeholder informational session 7/21/22	Scope program Develop SOW Issue SOW	Program launch Outreach materials

- 4. E-bike Scope of Work Development
 - DEEP is looking to other governmental agencies with successful programs: VT (statewide), Denver



- Stakeholder outreach included a Request for Information (RFI) and a listening session;
- DEEP held a public informational session/RFI on 7/21/22; public comment period ended 7/29/21. Feedback inlcuded:
 - o LMI rebates should be the maximum amount possible (\$1000)
 - o The program should include all 3 classes of E-bikes
 - o There should be a warranty requirement or some kind of consumer protection against poor quality E-bikes
 - Poor quality electronics/batteries can spark and lead to fires
 - The relationship to local bike shops is vastly important to program success
 - Relationships with car dealerships have been crucial for the success of vehicle rebates
 - A range from 60 days to up to 6-12 months for voucher validity
 - Marketing for LMI residents should be through multiple channels and platforms
- Significant unknowns:
 - Universe of CT E-bike retailers and OEMs
 - o Comments on appropriate baseline incentive levels ranged from \$500-\$1000
- Program Design
 - Both point of sale via voucher and post-purchase rebate
 - Incentive levels
 - Minimum rebate according to statute is \$500
 - Additional (stackable) Rebate+ incentive of \$1000 for LMI total \$1500
 - Other parameters
 - E-bike MSRP cap is \$3000
 - prioritize LMI households
 - maximize AQ benefits
 - Participants must
 - Agree to terms and conditions
 - Be Connecticut residents and provide proof (e.g. license, utility bills)
 - 16 years of age older
 - E-bike retailers must join DEEP's platform to accept and claim vouchers
 - Contractors must
 - Prioritize environmental justice (EJ) areas and low to moderate income (LMI)
 - Limit 1 voucher per resident, discourage bikes used for only recreation
- There is no response document from DEEP to the public comments right now, we are just gathering and processing information. The comments are posted on DEEP's E-bike page.
- 5. Updates on LMI support
 - Marketing & Outreach
 - o Program staff are coordinating with DEEP's Communications team
 - Develop SOW → Issue SOW → Assess responses, select vendor
 - LMI voucher program for Rebate+ New and Rebate+ Used
 - Will be a prepurchase voucher
 - Platform will be developed with new SOW
 - o Tentative delivery estimate is late Q1 2023
 - Expanded eligibility three ways to qualify
 - Categorical (participate in certain other income-based programs administered by the state)
 - Proof of income
 - Living in an EJ community

III. Board Roundtable

1. Sara Harari is the new representative for the CT Green Bank on the Board. There are still five vacant spots on the Board to be appointed by legislators as specified in Public Act 22-25.



- 2. Sara Harari brought up concerns about the certification of used cars for the Rebate+ program so we aren't setting LMI customers up for expensive repair costs. Paul Farrell answered that new regulations require manufacturers to label battery durability going forward, but that there is uncertainty about how to handle the used EVs currently on the market. Right now it looks like the best we can do is promote consumer awareness and education
- 3. Sara Harari also brought up that CT Green Bank has a lot of experience reaching out to LMI customers for solar initiatives and would be happy to assist DEEP in marketing. DEEP welcomed this assistance and agreed to set up a future meeting to discuss CT Green Bank's experience with LMI specific marketing.
- 4. Paul Farrell reviewed DEEPs registration data analysis regarding the number of EVs registered in-state vs. the number of CHEAPR rebates disbursed over the same time period; this analysis indicates a program participation rate of approximately 25% (e.g., only about 25% of CHEAPR eligible EVs received rebates)
- 5. Paul Wessel asked if anyone in the state is pushing for allowing E-bike vouchers to go to exclusively online retailers, besides the online retailers themselves

IV. Public Comments

- 1. Mike Whitney inquired about the definition of an "EJ community": is it being defined by zip code, municipality, or something else?
 - a. Paul Farrell answered that the definition of an EJ community is uncertain right now, that's one of the things DEEP will have to clarify in its final scope of work. This question is currently expected to be addressed by 2023
- 2. Charles Rothenberger asked for clarification on timeline of implementing new program elements.
 Rothenberger also asked if the number of new rebates per month has continued to decline since July 2021.
 They expressed dissatisfaction with the current Rebate+ utilization and praised the inclusion of a point-of-sale/voucher program. They also suggested DEEP look at how the Smart Columbus program is engaging with dealers, and perhaps asking them to present to the CHEAPR Board in the future
 - a. The current timeline for implementation can be found on the last slide of the PowerPoint
 - b. DEEP is hopeful that increasing the income threshold for LMI to 300% of the federal poverty level alongside enhanced marketing efforts will dramatically increase participation in the program
- 3. Tony Cherolis made a comment regarding market constraints on E-bikes and the importance of reaching out to bike shops right now because they are ordering products to sell in Spring 2023. It is important that DEEP communicates to bike retailers as soon as possible to ensure they are ready for the program.
- 4. Craig Peters expressed dissatisfaction that only 25% of new EV registrations received CHEAPR incentives. He expressed support for excluding vehicle retailers that operate exclusively online from the E-bike program's voucher eligibility, but stores who have brick-and-mortar locations in CT that also operate online (e.g. Dick's Sporting Goods) would be okay. He expressed a desire to see business staying in the state, particularly with small businesses.

V. Adjournment

The meeting was closed by Tracy Babbidge.

The next Board Meeting will be held on December 15, 2022

Meeting adjourned at 4:10 pm.



Attachment A: Attendee Report

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Alexis Bourassa

Andrew

Andrew Anil Nigam

Anthony Cherolis

Pete Babich

Ben McMillan

Bill Trietch

Brian Jones

Charles Rothenberger

Chris Phelps

Craig Peters

Dave McIntosh

Dickens Mathieu

Douglas Hausladen

Dwight Atherton

Ernesto DePiano

Greg Orsini

James Fowler

Katie Katrichis

Lori Demaine

Marissa Gillett

Mark Bielecki

Michelle Seagull

Mike Whitney

Paul

Paul Aresta

Paul Braren

Paul Farrell

Sara Harari

Sarah Fryxell

Shatorah Roberson

Stefanie Keohane

Stephanie Bahramian

Terence Prem

Tery

Tracy Babbidge

Walter Barozi

Zach Kahn